

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6177**

**BILL NUMBER:** SB 100

**NOTE PREPARED:** Feb 5, 2013

**BILL AMENDED:** Jan 31, 2013

**SUBJECT:** Sale of Microbrewery Beer at Farmers' Markets.

**FIRST AUTHOR:** Sen. Banks

**FIRST SPONSOR:** Rep. Clere

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill allows a small brewer to sell the brewer's beer to consumers for carryout at a farmers' market that is operated on a nonprofit basis, in a quantity of not more than 576 ounces per consumer at any one time. It requires the beer sold to be placed in the bottle or container at the brewer's permit premises.

**Effective Date:** July 1, 2013.

**Explanation of State Expenditures:** This bill could increase administrative costs to the Alcohol and Tobacco Commission (ATC). The ATC would need to amend rules governing brewer's permits. The bill's provisions can be implemented within the agency's existing level of resources.

**Explanation of State Revenues:** This bill allows microbrewers to sell beer to consumers for carryout at farmers' markets. The additional locations at which beer is allowed to be sold could allow for increased alcoholic beverage sales. However, increased sales at farmers' markets may be offset by decreased beer sales elsewhere. Sales Tax and Alcoholic Beverage Tax revenues will be impacted to the extent that this bill affects total beer sales.

The Alcoholic Beverage Tax on beer equal to \$0.115 per gallon is distributed to the following funds: state General Fund (\$0.04), Post War Construction Fund (\$0.0475), Enforcement and Administration Fund (\$0.0075), and Addiction Services Fund (\$0.02). The state retains 50% of the General Fund distribution of beer and wine excise tax revenue. The remainder is distributed to cities and towns based on population.

Sales Tax revenue is deposited in the state General Fund (99.848%), the Commuter Rail Service Fund (0.123%), and the Industrial Rail Service Fund (0.029%).

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** Local revenues will be impacted to the extent that cities and towns receive funds from the Alcoholic Beverage Tax. Local entities may also be impacted to the extent that they receive distributions from the Commuter Rail Service Fund or the Industrial Rail Service Fund.

**State Agencies Affected:** ATC.

**Local Agencies Affected:**

**Information Sources:** *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2011.

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